

To: Reisner, Bob (DEQ)[REISNERR@michigan.gov]
Cc: Foscett, William[Foscett.William@epa.gov]; Siler, Sandy[siler.sandra@epa.gov]; Kenney, Thomas[kenney.thomas@epa.gov]
From: Kamke, Sherry
Sent: Thur 5/1/2014 4:54:41 PM
Subject: FW: Availability for conference call with MDEQ RE: Proposed New Michigan Reimbursement Program

Bob,

How about next Friday, May 9th? It would be good if we could have it from 8am – 9am (Central time). If that works for you, I will set up a conference line.

Thanks,

Sherry

From: Reisner, Bob (DEQ) [mailto:REISNERR@michigan.gov]
Sent: Thursday, May 01, 2014 6:01 AM
To: Kamke, Sherry
Subject: RE: Yes, let's do a conference call! RE: Proposed New Michigan Reimbursement Program

Hi Sherry, it's taken me this long just to find out who we would have on the call from our end so a call this week isn't likely. Please let me know when you may be available next week and I'll work on getting the call set up.

Thank you for all of your assistance.

From: Kamke, Sherry [mailto:Kamke.Sherry@epa.gov]
Sent: Friday, April 25, 2014 6:17 PM

To: Reisner, Bob (DEQ)

Subject: FW: Yes, let's do a conference call! RE: Proposed New Michigan Reimbursement Program

Bob,

I think it is best that we set up a time to talk about how we can work together on this. I would like to suggest a call next week that would include myself, Tom Kenney our regional lawyer, and my EPA Headquarters counterpart who has far more expertise on state funds, Bill Foskett. Do you have a date and time next week that works for you?

Sherry

Sherry A. Kamke

Chief, Underground Storage Tanks Section

U.S. EPA Region 5

Land and Chemicals Division- RCRA Branch

77 W. Jackson Blvd. Chicago, IL 60604

From: Reisner, Bob (DEQ) [<mailto:REISNERR@michigan.gov>]

Sent: Thursday, April 24, 2014 8:04 AM

To: Kamke, Sherry

Subject: RE: Proposed New Michigan Reimbursement Program

Hi Sherry, thanks for getting back with me. I have checked out all of the various information that I could find. I'm not sure how to proceed. If there are specific questions that I can answer for you right now, please let me know and I'll answer them. Since we don't actually have a fund right now, some of the details may not be available. It appears that it might be a chicken or egg type situation. The people involved in getting the bill creating our new program are hoping for some type of assurance that the program will or is likely to be approved as FR. From your end, it appears that you may need the fund to actually exist and be operating before an analysis can be done.

Hopefully we can get a handle on it.

Thank you for your efforts.

From: Kamke, Sherry [<mailto:Kamke.Sherry@epa.gov>]
Sent: Thursday, April 17, 2014 3:39 PM
To: Reisner, Bob (DEQ)
Cc: Kenney, Thomas; Siler, Sandy; Foskett, William; Victorine, Gary
Subject: FW: Proposed New Michigan Reimbursement Program

Bob,

Sorry for the delay in getting back to you. I had to do some research since this is something that we haven't had to deal with for a very long time. I'm going to give you a short answer now and follow up with you when I have more details. In the past, states submitted a cover letter requesting our review of the state fund. The letters attached the state fund legislation, regulations, guidance documents and a summary of how the fund operates. EPA will conduct a preliminary review of this information. You can find more information about the review process at 40 CFR Section 280.101.

The key things that EPA will be focusing on include: certainty of funds being available for corrective action and third party claims, amount of funds available, types of costs covered, a description of the fund and how it operates, and what classes of underground storage tanks are covered.

I hope that you find this preliminary information helpful. I look forward to discussing this further with you as the process begins. Please contact me with any questions that you have.

Thanks,

Sherry

Sherry A. Kamke

Underground Storage Tank Section Chief

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kamke.sherry@epa.gov

From: Reisner, Bob (DEQ) [<mailto:REISNERR@michigan.gov>]

Sent: Monday, April 14, 2014 9:03 AM

To: Kamke, Sherry

Subject: Proposed New Michigan Reimbursement Program

Hi Sherry,

Senate Bill 791 was recently introduced into the Michigan legislature. The bill would create a \$20 million annual reimbursement fund to assist owners and operators of petroleum underground storage tanks in meeting their federal financial responsibility requirements and reimburse them for corrective actions to address releases.

I have been charged with contacting the USEPA to determine if there is a certain process for getting the fund certified (for lack of a better term) as an FR mechanism, and if so, what that process is. The main thing that we're looking for is the process, the likelihood that the proposed fund would be "certified", and the timeframes involved in the process.

Some brief highlights of the bill are as follows (I have attached the entire bill as currently drafted):

The first \$20,000,000.00 of the Environmental Regulatory Fee collected each year shall be deposited into the Underground Storage Tank Cleanup Fund, which is established by this legislation.

Prior to submitting a claim under this part, an owner or operator is responsible for a deductible amount as follows:

- \$50,000.00 per claim if the owner or operator or its affiliate owns or operated 8 or more petroleum underground storage tanks.
- \$15,000 per claim if the owner or operator or its affiliate owns or operates fewer than 8 refined petroleum underground storage tanks and pays the authority an annual fee of \$500.00 per refined petroleum underground storage tank, \$15,000.00 per claim.

The claim period is a 1-year period commencing on October 1st of each year and ending on September 30 the following year.

The claim limit is \$1,000,000.00 for all claims of owners or operators and their affiliates during a claim period for owners and operators of 1 to 100 refined petroleum underground storage tanks or \$2,000,000.00 for all claims of owners or operators and their affiliates during a claim period for owners or operators of more than 100 refined

petroleum underground storage tanks.

Any assistance that you can provide me will be greatly appreciated.

Thank you.

Robert Reisner

Chief, Information Management Unit

Program Support Section

Remediation & Redevelopment Division

Department of Environmental Quality

517-284-5141